

Important Healthcare Update

November 3, 2009

Dear Constituents,

I have spent the last three months reaching out to constituents and listening to your concerns about healthcare reform to make certain that we develop the best possible legislation. I held four Town Hall Meetings and five Telephone Town Hall Meetings, reaching over 80,000 constituents from every part of our Congressional District. I've addressed each and every question, and considered all the suggestions constituents offered. Over 3,000 Town Hall Meetings were held across the country by other Members of Congress. Now, we are on the threshold of achieving an extraordinary goal, and that is to pass historic legislation to make health insurance available to every American.

In the House of Representatives, we have a "blended" bill, the Affordable Health Care for America Act, which merges the best parts of the versions drafted by the three committees with jurisdiction over the bill. I'm very proud that most of the components that I support and voted for as a member of the House Energy and Commerce Committee, made their way into the final package, including a public option. The bill will fix what is broken and preserve what is successful about the American healthcare system. It will provide extensive new protections for all health care consumers, rein in the skyrocketing costs which are breaking the budgets of families and businesses, and extend coverage to all Americans, while saving the government \$30 billion over 10 years.

With healthcare costs far outpacing inflation, our country is struggling to keep up. We must widen the insurance pool to include all Americans, focus on preventive care, and bring healthcare costs down. We simply cannot sustain the status quo.

Here are the highlights of the legislation in the House of Representatives:

- A new Health Insurance Exchange, a one-stop comparison shopping marketplace, including a public option to compete with private insurers to help lower costs and improve coverage.
- Affordability credits to help low-income Americans buy insurance

- Improved Medicare benefits by closing the prescription drug "donut hole" immediately to lower drug prices for seniors faster, and extend the solvency of the Medicare Trust Fund.

- Extended coverage for young Americans, allowing them to stay on their parents' health insurance plans up to their 27th birthday.

- An end to discrimination based on pre-existing conditions, such as diabetes, heart conditions, or cancer; and prohibiting health insurance companies from dropping coverage if someone becomes sick

- Elimination of co-pays for preventive and wellness care

- Annual caps on out-of-pocket expenses at \$5,000 for individuals and \$10,000 for families

- Removal of yearly or lifetime caps on private health insurance policies.

- Reduce the deficit through revenue savings and Medicare efficiencies. There will be additional savings based on access to early and preventive treatments. The savings are actually greater than the Congressional Budget Office projections.

Some of the reforms will take place immediately, including the prohibition of the abhorrent practice of "rescission"; the dropping of sick patients in order to not pay their expensive healthcare bills. It will end discrimination based on pre-existing conditions, eliminate lifetime caps on insurance plans, and spend less than 85 percent of premium dollars on medical care.

Beginning in 2013, a health insurance "Exchange" will be available for those Americans who cannot obtain insurance through their employers. The Exchange is a health insurance clearinghouse to provide consumers with one-stop-shopping for the numerous insurance plans on the market, including the public option. Consumers will have the ability to go online, call a hotline, or read printed information that provides clear, concise comparison information about different health plans, such as cost and minimum benefits. Finding insurance, signing up and using a plan will be user-friendly, not cost-prohibitive, complicated or terrifying.

Seniors will benefit from the Affordable Health Care for America Act because of provisions that strengthen and improve Medicare. The bill lowers Medicare drug prices by closing the coverage gap or “donut hole.” It reduces inefficiencies and program costs to help Medicare remain solvent without cutting benefits. It improves coordination and increases the quality of care for seniors with diabetes, high blood pressure, and other chronic conditions. It eliminates co-pays for preventive office visits.

Drafting this

bill has not been easy, but I have confidence that our work will pay off with dividends – a healthier population and lower costs. I look forward to voting for the Affordable Health Care for America Act when it comes to the House floor and I will continue to update you as the bill moves forward. The Senate is working to merge the two bills they’ve written, and then vote on their blended bill. After the House bill and the Senate bill are combined, the final bill will be voted on by both bodies and then sent to the President for his signature.

If you have any questions or comments, let me hear from you. I’m proud to represent a Congressional District where my constituents are informed and ask serious-minded, thoughtful questions, and provide me with valuable feedback. You have made this historic legislation even better.

Sincerely,

Anna G. Eshoo